

National Coalition on Health Care

March 6, 2006

Fred Buenrostro
Chief Executive Officer
CalPERS
Executive Offices
400 P Street
Sacramento, CA 95814

Dear Mr. Buenrostro:

The National Coalition on Health Care has made enormous progress this past year in advancing the case and prospects for system-wide health care reform. Our Coalition of more than 80 organizations, which collectively represent more than 150 million Americans, is uniquely positioned to carry this fight forward this year – through the mid-term congressional and gubernatorial elections and beyond. At our December meeting, Drew Altman – President of the Henry J. Kaiser Family Foundation, one of America's leading health care foundations – characterized the Coalition as the nation's most credible and effective group working for system-wide health care reform.

In speeches and reports, we have argued that escalating health care costs are now a gigantic economic problem – slowing economic growth and job creation, undercutting the competitiveness of American firms in global markets, eroding the financial viability of pension funds and the living standards of retirees, producing severe pressures on federal and state budgets, and suppressing wage increases. That set of arguments is now gaining increased acceptance – from policymakers, business leaders, executives of health and pension funds, and, according to our own polling, the general public. Most recently, President Bush and his economic advisors, in a press conference and an accompanying paper, warned about the impact of health care costs on the health of the economy.

Recently, we issued a report, by Professor Kenneth Thorpe of Emory University, that documents the huge net savings that our recommendations would produce for the nation – and we have been able to generate a great deal of attention to those findings. We have distributed the report widely – to journalists, to members of Congress and their staffs, and to the policy community. And, armed with this careful analysis, we have been able – in numerous speeches and briefings – to present a compelling business case for reform.

We also have been making important headway in our efforts to encourage governors to help generate a broad debate about the need for system-wide reform and to become advocates for national action. Last spring, Dr. Henry E. Simmons, the Coalition's President, spoke at the annual meeting of the National Governors Association about the need for reform at the national level. Since then, he has been meeting personally with individual governors around the nation – and has been encouraged by the reception our arguments have been

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receiving and by the willingness of many governors to work with the Coalition to call for needed changes and to help frame and facilitate dialogue in their states. Next month, he has been invited to deliver our message at the winter meeting of the Democratic Governors Association.

We have continued to broaden the constituency for change – and the capacity of the Coalition to reach Americans where they live and work and worship with our messages of urgency and direction. In the past year alone, we have added a wide range of important new members to the Coalition, including American Water, the California State Teachers' Retirement System, the Duke University Medical Center, Group Health Cooperative, the International Foundation for Employee Benefit Plans, the National Association of Chain Drug Stores, the Progressive National Baptist Convention, and the Salvation Army. In addition, much of our nation's higher education establishment has just joined our Coalition, including the American Council on Education and the National Association of Independent Colleges and Universities. This huge and important constituency is a major addition to our effort. In short, the nation's largest and broadest alliance of organizations working for system-wide health care reform has gotten larger and broader.

We have developed new analyses and arguments about the impacts of the health care crisis on particular sectors of the economy and society – including health and pension funds, colleges and universities, state and local governments, and disease-specific patient advocacy programs -- and about how reform would benefit these sectors and the people that they serve.

And we have continued to brief members of Congress in both parties, senior officials in the administration, organizational leaders in many sectors, and journalists – both on the nature and dimensions of the crisis in health care and on our specifications for reform.

Working together, the Coalition is making good progress toward achieving our shared goal of a better health care system – one that assures all Americans affordable, high-quality health care. In the coming year, we will redouble our efforts – and add some new initiatives – to accelerate that progress. At our December meeting, the members of the Coalition approved an ambitious strategy for 2006 and 2007 designed to increase the momentum for reform.

This year, we will be working hard to make sure that health care reform becomes a prominent issue in congressional and gubernatorial elections – through community forums, communications initiatives, and other activities that are consistent with our rigorous non-partisanship.

We will develop and customize materials for Coalition organizations to use in communicating to their members, employees, and congregants and continue to expand our media operations. Our briefings of members of Congress and their staffs will focus on leaders in both parties and members of the committees and subcommittees with jurisdiction over health care. We also will seek to testify at hearings. We also will reach out to prospective presidential candidates and their advisors to educate them about the health care crisis and potential remedies.

Our outreach to the nation's governors will be to both encourage and support their advocacy of system-wide reform and work with them to plan state-wide and community forums on health care reform. We are pursuing an opportunity to brief the Republican Governors Association at their next meeting this year.

We will continue to work aggressively to recruit new member organizations, and, with the help of our current members, we will pursue opportunities to meet with and brief leaders and boards of prospective members.

In addition to speaking at conferences organized by other entities, we are planning Coalition-sponsored community forums in strategically targeted locations. These forums will be accompanied by communications initiatives to amplify the impact of the meetings and to help build and sustain dialogue about health care reform.

Our analytic work will examine incremental bills and initiatives – and further quantify the impacts of escalating health care costs on the economy, on specific sectors, and on health and living standards of Americans.

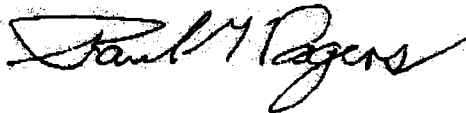
With your help, our Coalition has become a powerful voice and force for improving health care in America. Together, we can and will build support and momentum for the changes that are needed to arrest and reverse the deepening crisis in health care. The stakes – for all of our members and for our nation – are enormous.

Enclosed you will find an invoice for your organization's annual dues. We very much appreciate your support and commitment, and we look forward to continuing to work with you and your colleagues.

Sincerely,



Robert D. Ray
Co-chair



Paul G. Rogers
Co-chair

cc: George Diehr

Enclosure